ON SEIZING THE MEANS OF ~~PRODUCTION~~ VALUATION
a Low-Wage Cashier's Take on Current Economic System

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Abstract

This work critiques both capitalism and state socialism by arguing that the central struggle is not over seizing the means of production but rather over controlling the means of valuation. While workers already materially manage production, they are structurally alienated from defining value, which is instead dictated by speculative markets or state bureaucracies. Value itself is conceptualized psychoanalytically as an ideological construction—mediated by desire, ideology, and symbolic systems—rather than a neutral reflection of material labor.

Capitalism distorts valuation by divorcing it from production, generating artificial scarcity, speculative bubbles, and alienation among workers themselves. State socialism, in attempting to abolish commodity value, merely replaces one incomplete system of mediation with another, often producing even greater violence and inefficiency through bureaucratic control.

As an alternative, the text proposes a new valuation system grounded in material reality—the PIES framework (Production, Infrastructure, Energy-Earth, Social Incompleteness). This system ties currency issuance and decay to measurable outputs, while preserving structural incompleteness to allow for democratic negotiation and local adaptability. Value Exchange Markets (VXMs), decentralized and transparent, would calculate and validate PIES, preventing speculation, rewarding innovation, and incentivizing regenerative practices.

Through this design, value is re-anchored to real production and collective needs without falling into absolutism. By reappropriating valuation itself, workers and producers regain the power to define social meaning and exchange, opening the possibility of "communism through the market."

Main Text:

"Working Men of All Countries, Unite!"

Shouted Marx in his book, as he expected the Great Revolution of the Workers would topple the enemies of the workers: the Bourgeois, as a final synthesis of history itself, as history, according to Marx as he was influenced by Hegel, are a dialectical process of Becoming of the Absolute.

Many of his followers then believe that said revolution would unleash the true power and potential of humanity itself, by unshackling themselves from the chains of tradition, exploitation, and slavery of the Workers under Capitalism. Many of them then wonder where this great revolution would take place? Anyhow, they can't bear the chasm between the Bourgeois and the Proletariat; so to speed this process, workers then should unite and act to hasten this process.

Said movement then later on breed many of revolutions in our history, in which all of them fell under the category of failed revolution. All that failure can be differentiated into two categories. The first, so common, is a failed revolution in seizing the means of production because there's not enough mass to rally against the Capitalists themselves. The first kind is failing to take over the

governance of a country or the ownership of public companies by force. These revolutions are succeeded in being contained by the Bourgeoisie themselves. The failure of the first kind is failure in changing the ruler from the Bourgeois to the Proletariat because of many contingencies against the revolution; losing in terms of mass, information, strategies, and all of that. The latter, is the failure of the proletariat (or the Party) in manifesting socialism itself in practice after a revolt had happened.

After a revolution, there had to be a dictatorate of the Proletariat, in which it would manifest in the next stage of material evolution of humanity. Such a case, then, Vanguardism takes place, in which it would make sure that the spirit of the revolution would always be raging inside a country, so that the True Revolution would come as Marx had predicted. But said True change never come; and worse, the dictatorate of the Proletariat through the Party, turns out to be far more malevolent ruler inside the country, betraying the very spirit of Communism. As such, it is once again upon the Commons alone that they had to pay with their blood and suffering from such failures. The party that had promised liberation, had betrayed the people they rallied as they fought for the injustice that had struck upon them; betraying them more ruthlessly than capitalists, by replacing market with bread lines, and make the farmer starved in their own plentiful farms.

To sanctify the True Leader of their revolution then, and to preserve their religion, the Left deny them by proclaimed: ‘True Socialism had never been put into practice in the first place!’. Said True Revolution would redeem all previously failed Revolutions that had taken casualties for their betrayed ideals. As such, they make another revolution after revolution, without any success in their struggle. Many split off from each other, but tiny fraction of them would only succeed in bringing at least a bearable condition of living under Capitalism from small reformism and all; in which it then outpaced by stark contrast with the evolution of Neoliberal Capitalism in our age, that had revealed its next form of exploitation.

Socialism, remains a ghost and shadow, and it would seems that shadow can never replace what it had coming from in the first place: Capitalism. In this day and age unfortunately, people no longer believes in a ghost. When even the most fervent follower of Marx with all of their class consciousness, still are trapped within the confines of fragmented labour, what is the hope for the common that would ever liberate themselves from all of this alienation?

From all of this then come a simple question: Where did we go wrong? And Why?

WE HAD ALREADY CONTROLLED THE MEANS OF PRODUCTION ALL ALONG

One common mistake from the left at least nowadays is the conception that we necessarily need to seize the means of production to reach communism. Since Capital had reached the power it had today by production, we must then be able to

seize this means of production and change its ownership from bourgeoise to communal property. Since it is upon the production that makes an influence upon something, it is then follows that whoever owns the means of production, they are going to rule. Whoever produce more, they would win. But I would later argue that this wasn't necessarily being the case; as now we are trying to explain.

The Proletariat had always, already in control of the world inside its productive sector, but are structurally barred from owning it; especially by the fact that fragmentation of labor to the point of neoliberal individualism, creates an autonomous self-alienation through psycho-politics. This fragmentation of labour had already make us the De Facto manager of our own productive capabilities in this society. If, according to Marx, because of this Productivity that the capitalists can rule the world in 19th century by the lens that the capitalists were Autonomous while the worker are not; then we are already 'control the world' by autonomously gives majority of our labour that fulfills the demands of the market because of this fragmentation; because more than ever, we have our productive capabilities exceeding the market itself in terms of material production -that is, in contrast with Speculative Value of the Capital, or the surplus value.

The leftists then demand that we ought to own our productive capabilities to ourselves so that the revolution might come, that is, through state-centralization; as production means power, the people then need to outpaces the market by produce more. My question is that, why do they demand that these workers should seize their own productivity and give it in to the state? As we said earlier, we are already autonomous on our own. Who do they think is handling the industry at ground level? Who handles the transport? Who designed and produced guns and whole armory of the capitalists? Who takes care, controls, and lives with the industrial belt in 24 hours, even in the most dire environment that sometimes even results in casualties? It's not bureaucrats or businessmen; it's not Bourgeoisie, but it's always been the Proletariat. Workers already had the latent control (materially) but are structurally barred from wielding it. At any given moment, we can theoretically revolt against the CEO's, and take the production upon ourselves; But then what? Moments later, the rebel had to meet the demand of revolution: redistribution, and to keep up with proletariat's demand, and began some planning of some sort, but soon the Commons realize that they once again, had falls under the mistake of Vanguardism once more. The rebel had become a new CEO, now with a red banner and a star instead of dollar.

What we seek, is not merely a simple 'ownership' in which a property and means of production's belonging to a class is justified in the first place through simple bureaucracy, but rather the revolution to the whole redesign of economic system, that includes justification in which allows ownership on contingent justification, and recognition of our own productive value against fictive valuation. What we should seize instead, is the Means of Valuation.

THE MISSING VARIABLE: THE MEANS OF VALUATION

Let’s take a step back: why production necessarily means power in the first place? Why we produce something? And how ‘ownership’ is justified in the first place?

In 19th century, there’s a booming productivity because of an industrial revolution that makes production of goods and services skyrocketed. This trend of overproduction is then overstimulated by demands of workers, in which they then reallocated in such distressing work environment that oftentimes resulted in casualties; but are overshadowed by the amount of progress they experience.

To Marx, because of this extreme exploitation of the workers by the bourgeoise, there’ll be a dialectic in which, a new synthesis would born out of these conflicts. He also argued that because of this power of production, the Bourgeoise can handle themselves with alienation and oppression of the worker. Because he is a materialist, he excludes the non-material variable of a production, that is, the value itself. According to him, it is absurd that, in the realm of material world, a value of something can fluctuate without a reason; and since the material world only consists on something material, it is then declared that the surplus value in which exists in fluctuations of goods and services, were actually what the material resources of the worker that had been sucked off from them. Since it is impossible for a value to come from non-material variable, it must be the case that the source of fluctuations of value comes from the labour excess of the workers: and thus, The Labor Theory of Value, in which it had become the basis of Marxist criticism of Capitalism, in which he accused the Capital as having power over the worker on the basis of ownership of the means of production itself.

At the lens of industrial era, it made sense because of the whole conception of rationality and empirical thoughts: the Enlightenment, is all about the demystification of thought into tangible realities. The value of something must necessarily equals to the functionality and scarcity of a products, so the whole economy, therefore, is all about production of real goods to increase the value of the capital. It is unthinkable at that time, that there could be a variable that has the same -or even more power than the tangible reality itself, that is, the conception of said reality: Ideology and conception of Value itself.

We no longer need to seize the means of production. We already are the producers. What is missing is our control over how value is defined, distributed, and legitimized.

WHAT IS VALUE?

By Value I mean that, the target of desire; the thing that justify an ownership and/or power of a subject to another subject, that which allows it to be considered legitimate among the society; that which also agreed upon on the basis of the whole ideology of said society. Value, is a power that is desired by a

subject to express their desire in its manifestation, to satiate their inner drives for completion. If I use the word of Lacan, it is the ‘Object petit a’, that drives the subject to want something, and thus driving them to reach it with their own resources.

THE NATURE OF VALUE AND DESIRE

To remind the classical economists who dogmatically believe in the neutrality of value as subjective, There’s a clear difference between desire, value an-sich, value that is perceived by the subject, and mode of valuation itself.

Desire, is what drives man to value things. The desire is desire for the sake of desire, and desire of a subject, is always the desire of the others. What do this mean? Desire, is a drive of the subject so that he can desire things. We always want something, but the target of desire is something else. Desire are not always pure, as although it is the drive of why people want and act upon, it is mediated by their ideological preconception of reality.

Value an-sich, or the Pure Object that carries the true value of said object, is barred from the subject because of their pre-conceived ideology. Not to be confused with Subjective Valuation, or value that had been assigned unto a product from the desiring subject; this is the Real of a good or services. In Kantian sense, it is the Noumenal Realm of the object that carries a placeholder for all register in which it is remains unknown. To give it an analogy, the Pure Object is an object inside a black box. An object cannot be recognized unless we spot a light on said object, in which then that light bounces off from that object unto the eyes of the Subject. The light, in this case, reveal the value of the object on the eyes of the beholder; but it is never pure, as we can only perceive a visible spectrum of light, and that the glass of our flashlight can carry another colour that barred the subject from experiencing the true nature of said object; but without this very light that had barred us from understanding its true value, we can never register it into our mind, so we are always trapped in this phenomenal realm of an object; we can never step outside the symbolic, because it is only through the symbolic that we can register something.

Now, is there a such thing of a ‘true value of an object?’, I reply: there are, but they cannot be experienced in their purest form; they are always seen through the lens of ideology. They can only exists as a lack in which, necessarily excluded for an empty space to be created in the first place, which then the subject fills with their own ideology. When one looks at an object, they don’t register all of their properties and inner mechanism inside their own mind, but they exclude these object to create a copy inside their mind in the form that one can handle. One simply cannot understand the ‘true’ value of things, because to understand value in the first place, you need a mind unbounded with correlation to the said object; but we human simply bounded by language and brain itself. One can only understand value from things they can understand, and this understanding is partial. Either through ideology, religion, logical axioms, and even personal

attachment. A loaf of bread has a “real value” (its nutritional content, labor, ecological relations, etc), but this cannot be fully grasped or exchanged as-is, because we would need a perfect understanding of reality itself to grasp the real value of a loaf of bread.

Take for example: why is something considered valuable in the first place? Because of need? Or speculation? Even a farmer that harvests its own grain themselves are already barred from conceiving their own harvest by placing a value that he conceived is rational, according to him. This rationality, is ideological. Suppose the farmer is religious, he would sell this grain for a small value, because true value is in the eyes of their creator; suppose the farmer is a materialist, he would only counts the temporal, resources, and labour value of his own, without considering the subjective nature of the market can easily devalue his grain. All on all, there’s need to be an exclusion for a value to be created in the first place. To put a price over something, is to exclude the possibilities that the value of said object can be something else; how about the transport? How the weather affects the labour? How is the quality of the ground that being planted? How about the value before the seeds reach the Farmer? the transportation that can sent the seeds to the farmer, that can possibly cost their own lives from using a warzone territory? If meaning is deferred, I would say that Value, is also always been deferred from its conception, that made it never been pure in its expression from the subject; tainted by ideology of a subject for the sake of its registration. As meaning is deferred, so does value.

But it doesn’t mean that as meaning is deferred, there are no meaning; just because value is deferred, it doesn’t mean that there is no value. The Real, in this case which remains barred, is a necessary irritant; the negative aspect of the symbolic, that had necessitated the creation of its register in the first place by the means of exclusion. Take for example, a scientist making an observation journal about a Flower; no matter how exceptional their works are, it cannot be the case that their work itself is the Flower. Rather, what he had just written down, is merely a partial reflection of the observed: the flower. In this case, the scientist just turns an object that is barred, the irritant that had been observed by the scientist, the noumenal, into the object-as-register, in which the scientist -as a system- began to construct the idea of flower in his mind, while letting this simulation of flower inside his mind shaped by his observation of the Real/Irritant that is the actual, observed Flower. When a subject observes or to describe something, it was never about the actual object of that had been described, but the construct of simulation of said object from the eyes of the observer. As such, the Value, through psychoanalytic lens on economy, is differentiated between the Real of the object, and the perceived value by the subject. Value, although have existence on its own, cannot be fully experienced, as our experience necessarily excludes the real object into a register inside our mind, so that we can experience it as a subjective phenomenon in the first place. The Real of the observed is necessarily excluded and were reduced into function for it able to be processed by an observer into its own simulation.

Now, the Subjective Value, is another thing for Value-an sich. A subjective value is, as its name, subjective in itself, as it is come down from the perception of each subject. It is what had been perceived by the subject as valuable in the first place, based on their lens that is ideologically constructed. Why I say 'Ideology', is because that there are no such thing as 'an experience of a subject that is beyond the symbolic', or at least it is impossible to be translated into the realm of the symbolic. A registration of a value by the subject, is always had been mediated by the symbolic. As such, every Subjective Value, is ideologically conceived by the subject.

Now, if a subject can only conceive the value of something through mediation of Ideology, where that Ideology coming from? Precisely speaking: what is the function of Ideology in the terms of valuation? We would call this ideological glass, The Means of Valuation.

THE MODE OF VALUATION

The Mode of Valuation is a societal construct: you make the estimation of what is a thing worth by virtue of judgement, that is, always ideologically bounded. The mode of valuation is a grammar in which valuation system in general dictate which is valuable and what it worthless.

Subjective value comes from manifestation of desire of an object through the means of valuation: the glass which make you see things or not. The Mode in which you experience the value. You see an object because the light that had been bounced off from that object, falls under your retina; but this eye can only see through a glass of ideology, and this glass is conditioned by society. To be precise, the glass is construction of an ideology. A subject views value through their own ideological construct. A wine, although carrying a significant amount of production process, can be seen as a trash in the eyes of a zealous Muslim. A materialist builder, would never be able to conceive why the value of a digital Image of a monkey can worth more inside the Neoliberal societies even without having a productive value, more than the house he had built by numerous workers. A Speculators would view a year of harvest as having less value than an NFT image. This glass, is ideologically constructed and are never pure, i.e. you can never perceive the value of an object in its pure form without ideology, because ideology is the thing which allows you to see reality in the first place.

In this case, the Mode of Valuation is an ideology of which, structurally dictate what is worthless or priceless; what can be sacrificed and what must be held; they even structurally dictate which kind of people would starve and which would grow. Capitalism, for example, would makes the one who manipulates prices the best the winner; State Socialism would make the one who obey state's ideology and loyal to the party wins; even theoretically inside an immature Anarchy where all form of valuation and commodification is erased, the gift economy would simply create another alienation through hidden interest that is more opaque, whether nepotism or connection, or all things imaginable. This mode of Valuation is conditioned or

strengthened by the Means of valuation: that is, the institutional design of the whole economy, like speculative market and so.

So there's a subject desiring value, the real value itself that is always barred, subjective value that has always been perceived by the subject; and the means of valuation in which allows the subject to experience value through their ideological construct. From this simple premise, even a layperson can derive that there is a Contradiction between the mode of valuation of the real producers and market speculators. There's a conflict of which is being valued more, and for whom from the existing means of valuation, that the system prefer towards? Desire, as a driver, can be redirected and manipulated by this mode of valuation; in which the desire is then manifested into the attainment of a commodity through value from said ideology. As such, it can be the case that a single NFT of an image of Potato can worth more than a year of grain harvests that meets the biological demand of a city; even without productive functionalities whatsoever.

By this proposition, some of the dogmatic economists, by declaring value as subjective and thus, neutral, and cannot be regulated, does not erase the fact that ideology itself is a construct. It's like looking at the difference between a Nazi society and American society, and then declare: "well, political ideology is subjective so it is neutral, and we must stay out of it and only measure the aftermath of it: the casualties and all, without considering the root of the problem. An ideology, by nature of its subjectivity, is neutral after all." Such is the argument of many of the economic theorists that had plagues our society. From a conception that value is neutral, the derivatives from such is that, it can be the case that a literal banana strapped on wall of an art gallery is more valuable than the harvests that had actually sustains the city's population, despite the latter carries a more potential to save life and etc.

HOW DESIRE OF VALUE ARE DIRECTED ON AN IDEOLOGICAL CONSTRUCT

We desire value; in this case, Desire is the inner drive within human, and Value is a placeholder for that desire to manifests. Value, in this case, are what to be constructed for value to be able to be experienced by the subject. As such, mode of value is an ideological construct that alienate, yet necessarily exists for the sake of satiating desire itself.

The Means of Valuation, is an economical apparatus in which, necessarily created or co-constituted by ide very ideology itself by the stronger class or the whole society to maintain order from which desire is satiated through assignment of what is valuable or not, that is the Mode of valuation. The economic system in this case, make an operational closure of valuable and not valuable, in which what counts as valuable are varied from one society to another, or from time to time. They are then conditioned within the economic environment of said system, whether through state bureaucracy of socialism, or capitalistic financial market. It is an apparatus to strengthen a fiction that don't reflect the true value of things, but rather a projection of a subject from an ideological construct into an object,

that is taken as such, to maintains the order of said society. As a Means therefore, this economic apparatus can write out its reality according to what the subject wants it. This is how a value can occurs on an object that has no material productive value overall: like something as absurd as an overpriced tiny slice of a peanut in a high-end restaurant, is costs a poor man's fortune for ages; undervaluing the 'more real' mode of production such as farming and building that actually sustains a real biological and societal needs.

This is why Zizek through Lacan said: the Desire, is always the Desire of the Others. In this case, the Desire of a value in which had been expressed by a subject, is never desire of its own host, but rather the desire that had been written out by society itself that is imposed upon, and are already conditioned into the subject's ideological construct. The expression of desire of a subject, is already conditioned by symbolic order of the society itself.

THE VIOLENCE OF FLOATING MEANS OF VALUATION
A CRITIQUE OF CAPITALISM

When value are divorced from real production, the production would necessarily overstimulated by the demand of accumulated of value that represents no material surplus of production, and then choked by its limited resources. Demands does exists, but this increase of demand reflected by valuation system doesn't reflect the availability of the supply, but rather its own sector of speculative values, thus divorcing both sector from each. Divorce between value sector and production sector would necessarily results in the overabundance of meaningless value in which the production sector would needlessly needs to keep up it pace with, thus creating an absurd mode of production.

There is more money available, but neither the warehouse, the welfare of its workers, and the means of production, is growing for the society to experience despite abundance of demand. Rather, both the grains inside, and the cost of maintaining this very warehouse is getting more and more expensive over time to keep up with value. One class that profited from this speculation market, had taken the right of another class which had produced more than they can keep up by their own hand. When value is not met with equal production, the production got choked by demands because it getting less valuable to maintain.

Upon that, to meet the demand of excess value—conjured out of speculation rather than need—the production sector is forced into overdrive, chasing ghosts that produce no real surplus, a variable from production sector would either one: increase its own value, thus alienating more of the general populace, by stripping them off from their ability to purchase daily necessities, alienating goods that once that had been abundant from the society, into a commodity exclusive only for the speculative, wealthy class; or two, abandon real production entirely and transform itself into another player in the valuation sector, playing speculative market and thus, making artificial scarcity even more rampant among the populace, alienating them even more.

Using Fisher's theory of Quantity of Money to reveal The Systemic Vampirism

The common misconception of those who oppose to capitalism,is the notion of a lie of an artificial scarcity. The argument goes that, artificial scarcity is a lie because it's a deliberate creation of a shortage to drive up demand and profit, rather than a genuine lack of resources. They argue that the system should be capable of producing enough for everyone's basic needs, but deliberately withholds resources to maintain high prices and exploit labor, thus obstructing common wealth and perpetuating a cycle of false economic hardship. But on certain perspective, this system wasn't anything of a lie. It is not a lie in a sense that, the supply is purposefully being withdrawn to jack up prices; although there has been the such cases, they are as far as a symptom rather than the whole disease. The main option for artificially creates scarcity and thus jack up prices, can be diagnosed using Fisher's theory of Quantity of Money.

The theory state that the amount of quantity of money and how fast is circulating, is equal to the amount of total value of goods and services (MV=PT). This is make sense; the amount of money there is, and how much it circulates, inevitably influence prices and the volume of transactions. If you are a seller and have enough income to survive in a normal situation, you would make use of that money, and your price would generally stay stable. But if you experience that your shop is quiet, you would try as much not to waste your money, and maybe jack up the price of your goods to stay afloat; but that would make your store more unpopular, so maybe you lower the prices. The customer goes in and buy your products. but on the background, turns out the prices of your distributor itself has jack up the prices because they seen that there are more rich folks having much more money than ever without knowing why; the speculative market. Prices that once signal how much scarce a good is on a local, is distorted by the amount of heightened demand that comes from nowhere. The production then got perturbed because it has no the same amount of requisite variety it has to handle the valuation variety, thus resulting in a pressure to productive sector into a higher entropy; heighten the prices to survive, or have a loss within the economy.

In neoliberalism, the only anchor of MV=PT is T (real goods). Money and velocity detach into speculative circuits, so prices (P) swing wildly as the system keeps trying — and failing — to reconcile fictive value with finite production. In this equation, T is the only constant denominator, which leaves P to be as volatile as the MV itself for the user; in this case, between demand of speculative market and the ability of real market itself.

Inspired by Minsky's instability cycle, the cycle of boom-bust thus more appropriately taken at this cycle:

At first, the equation is normal. Quantity of money reflect approximately the same amount of goods available, thus the price is stable. Now, because there is a stability among the populace, the users now flocking in into investment and speculative market, because the more money you have, the more purchasing power you

got. Maybe some user would get a loan from the bank and then throw that loan into the speculative market; in which the bank simply print out more money out of nothing. Here, the amount of money increases that doesn't necessarily reflect the real good available, got thrown into the circulation. The user simply buy and sell derivatives, stocks, just exchanging money for money out of pure speculation. The users doesn't think about long term possibility, because the stability of the economy currently incentivize them to chase value as much as possible. Now, taking earlier equation, because there is more amount of money yet the real good itself remains unaffected (or ever so slightly so), the equation balances themselves by heightening the price of available, limited goods. But the seller is also a consumer; so if we take the same general situation for the whole ecosystem, it would means that the prices of goods for common folk becomes higher and higher, yet they themselves are, at the same time, not getting enough income since the ability to purchase of the common folk is absent. Speculators gain purchasing power disproportionate to real production, while the workers and producers are priced out, wages lag, survival requires debt. Monetary expansion becomes extraction from future labor. This is the first phase of Vampiric Feeding, when the purchasing power are funneled up through the means of valuation, which is the stocks, speculative market, derivates, etc.

There is an inflation going on, and now because the user needs to survive, but there are not enough income, they would either comes into distress selling, or taking debt out of necessity of the business or survival; again, there is an input of new money into the circulation of the economy. As you might've guessed, the aggregate prices goes up again because the amount of transactions is still contracted. Now, for normal user, the indebted one, this means that they either keep jacking up the prices and waits for someone to buy their goods, risking the interest rate that soon become more violent debt; or that they would be forced to distress selling at lower price to at least mitigate the debt.

Now, on the whole economy, the prices goes down for real goods, because there is a high amount of debt to be paid. But this also make a problem on its own: As prices fall and money gains value, the real burden of existing debts increases, making them harder to repay. Borrowers (individuals and businesses) are forced to sell assets to repay debts, leading to further drops in asset values and increased financial stress. Consumers, expecting further price drops, reduce spending, while businesses, facing falling demand and profits, cut investment and output. The higher real debt burden leads to more defaults and bankruptcies, which erodes the capital of banks. This would make the amount of money circulating contracted, as the Banks, fearing more losses, become more reluctant to lend, further contracting credit and slowing economic activity. The contraction in credit and demand leads to further declines in prices and economic activity, creating a downward spiral, until at some point either the speculators began injecting their money into circulation by laying off bankrupt business, therefore monopolizing the means of production upward, or that the State begin making some state-backed demand to the economy, injecting new money, lowering the interest rate or so on, to make the

money circulates until the next stability is reached and the cycle start over again.

The accumulation of power in the first inflation phase is more on monetary expansion. The deflationary spiral is monopoly and means of production.

On this lens, we can see the disconnect between value and the product it supposed to represent in the first place on the current neoliberal market capitalism. If the amount of money there is, produced at higher speed for the speculators (since it is self—reproducing on its own and become a floating signifier), while the velocity of it remains dormant between transaction of goods (because the speculators circulating on stocks while the commoners tries to save as much as possible), there are not much a buyers. Now remember, buyer is also a consumer, and when there are no income from the dormant economy, they are forced into desperate selling to get an income to survive, or when their sales were insufficient, they would make a debt to stay afloat. Now, there is a spiral going on. Because everyone is on debt, there is an over-indebtedness crisis, triggering distress selling of assets and driving prices down further. Businesses face lower profits, leading to wage cuts and layoffs, which reduces consumer spending. This further depresses prices, increases debt burdens, and intensifies financial problems for individuals and banks, potentially leading to a severe economic contraction, such as a depression. Now, the connection between value and productive sector is one of extraction, not representation. The speculative circuit extracts value from the productive one through debt, rent, and the inflation of asset prices. This is not a market failure or a ‘lie’ in a sense that it can simply be avoided; it is an ideological fiction, the machinery of economic system for the whole society to work in the first place.

Now remember, the purpose of a system is what it does: the economy itself perpetually creating a new supply of money without an increase in productive capability, making the productive sector got choked by the amount of valuation going on, and thus making a crisis happens over and over again. All the while this was going on, the bourgeoise, or to be exact, the manipulator or speculator, has their own purchasing power got bigger and bigger, all the while not having even a means of production. They exert influence over what the worker had produced with their own means of production, alienating them from the economy even though they legally owns the means of production; while also gatekeep the worker itself from gaining influence even with competing products beside capitalist market, by means of valuation itself. So now, even if producers unite against bourgeoise to create their own autonomy of production beside capitalist market, let’s say creating a new city all together, the bourgeoise can simply exert their monetary influence over production. All of this is because the means of valuation is divorced from the production sector, and subsuming production to a mere whim of fictive value, even without the bourgeoisie having an access to the means of production themselves.

Absurd Mode of Production Within Neoliberal System

The violence of valuation is manifested, in the fact that a productive capability that can save millions of lives because of an actual biological necessity, are to be negated simply because of a meaningless number by the speculators in the monitor. The hitherto mode of valuation in this case, is like that of a cancer cell that send a signal to their hosts to demand their limited supply/resources only to enlarge themselves, cutting off a real need of another healthy cell, and thus punishing the body that had supply itself in the first place if the body ever die. Now, from this perspective, to declare that the mode of valuation is neutral is a hubris in itself. Especially when all this absurd production are necessitated by the meaningless values comes crashing down; when the bubble crash because of 'speculative mistake', who is paying for it? It's the Commons that worked for nothing, demanded by meaningless value, while the uppers got bailouts for messing with their productivity by valuing them as nothing. We had worked for meaningless value, with meaningless demand, and still get punished for it; saying that: we are no productive enough! To hell with those who earn without sweat and scorn the very workers who sustain the economy! We are the one who gives these people food and electricity in the first place! This undervaluation of the workers are the most perverse subjugation of the upper elites in its current form; in which I personally baffled by how blind are the leftists in 21st century in reacting to these by saying: we ought to seize the means of production! In which I would reply: We had already autonomous in neoliberal capitalists system.

Another manifestation of this malevolence is that on the fact the overproduction of commodities left the populace with a stark contrast of the reality of scarcity itself and the real production of goods. The production from pastry, for example; to heighten the value of a product, the goods that are still consumable are to be expunged and **not to be shared** with those who are in need in society. How much energy and resources that had been redirected into production of the consumables, for it to be thrown away with a strange rule that 'It cannot be consumed because it would become less valuable'. The strange contrast of abundance of goods that is thrown away in the eyes of the homeless to make an artificial scarcity possible, is absurd. If then Marx thought that production equals power, now production is less than valuable! it must be thrown away into a trash bin for the sake of maintaining value. The value of production become a negative. How on earth, that value of real production that costs everything to make, and can fulfil the biological necessity of the needy, are having a Negative Value in contrast with a real utility of a production!? If this was the case for one sector that is a doughnut pastry, then how much we can actually sustain yet consciously throw away for the sake of maintaining value itself!? Those who says that it is rational would have to go into a mental ward for annual checking of their sanity. There are much cases of overproduction being overlook for the sake of maintaining an artificial scarcity that enslaves the populace because of flawed valuation system.

This design of artificial scarcity, above the exploitation of the producers and workers to meet the absurd demand by meaningless value, oftentimes causes an infighting among the workers themselves. Workers are drained of energy and pushed to produce ever more, primarily to satisfy the demands of higher social classes. This dynamic forces workers to give far beyond what they should owe, but it also strains solidarity among workers themselves.

An example of this fragmentation is the tension that arises when one worker takes a sick day. In such cases, the absent worker's tasks fall onto the shoulders of their colleagues, adding to an already excessive workload and deepening fatigue. This situation generates antagonism among workers—even when the absence is due to natural sickness, beyond anyone's control.

If antagonism arises from unavoidable absences such as illness, what can be expected when workers take time off for positive life events—weddings, family reunions, or important personal occasions? This subtle yet persistent antagonism reflects a deeper difficulty in organizing workers. The narrative of class antagonism is fragmented and redirected inward, pitting workers against each other instead of uniting them against systemic exploitation.

I have felt this firsthand, working in a retail store from 7 AM to 5 PM, then returning for a second shift from 5 PM to 10 PM because my other co-worker got sick and took a day off. There is an unconscious urge to resent those who 'escape' their shared burdens—even when their reasons are justified, and even when I empathize with them in different circumstances.

This alienation, therefore, deepens as workers become estranged not only from the system but also from each other, weakening the very class solidarity needed to resist exploitation. The irony is even sharper when directed at workers who hold strikes against the very companies that exploit us. In this view, those who strike are labeled parasites—accused of doing less than their share to lessen the burden, instead of recognizing strikes as collective resistance.

There's also the case in Indonesia, where a mother that is poor, forced to be humiliated at the front yard of a supermarket, as she was caught on stealing for her baby's need. The product she stole, of cource, a daily necessities. Despite how many supply that the supermarket has, the product for the infant is overpriced in there; so things like this might not happens once or twice, but on several occasion. The one who berated the mother, of course, is a female worker themselves, that cries 'my wage is already low! Do you know how much the costs I have to cover for missing products!?'. Such is the daily contradiction that the Commons going through everyday on their lives.

When production becomes less than valuable, and waste more profitable than feeding the hungry, we are no longer dealing with a malfunction—but with a system designed to crush necessity under the weight of speculation. We now can see clearly the violence of valuation than the violence of hunger. It is not

production that chains us now, but the fiction of value that floats above it like a tyrant

To mitigate these problems, the leftists propose a solution which is: State Socialism.

IMPOSSIBILITY OF ABOLITION OF VALUE
CRITIQUE OF STATE SOCIALISM

Another thing about Marx is that he wanted to abolish the means of valuation. Since profit is theft, it must be negated into higher form of sublation, so that there are no more contradiction within economic system. To be precise, he wanted to abolish the commodity into use value, so that there are direct connection between worker and their production itself through mediation of the state.

However, I would argue that abolition of Commodity-form is impossible. Value, in itself, the Noumena of things, cannot be experienced in its purest form: even socialist government, although the claim to have get rid of Commodity-form, they had replaced it with Bureaucratic-form or some representational value to convey value, without directly transferring it; just like how Language always defer meaning, refer to reality, and are incomplete.

Just as language defers meaning through endless signification, economic systems must defer value through symbolic proxies—whether money or state metrics. Value, like the Real, is never directly experienced. The attempt to abolish the commodity-form only results in its return under a different signifier; in this case, it oftentimes reoccurs in more opaque and alienating form of valuation, through hidden nepotism, secret hierarchy, and so on.

We can’t experience value at it purest form, and are cognitively bounded by ideology therein. At some point when we try to abolish the means of valuation, it would come back in another form of symbolic order. In the case of Socialism and Capitalism, the latter use ‘market’ while the other use the language of ‘the state/the party’. Even if we take onto the system of anarchy, a form of mediation still occurs in the means of minimal bureaucracy or gift economy that is necessarily alienate the true value of things; or even barter between two parties necessitate the alienation of true value because of contextual needs from 2 parties; either cultural, biological, societal, spiritual, or any other things. Thus, the Means of Valuation cannot be erased: because it is the means in which we were able to experience value in the first place.

In the case of hitherto economic system, it is self-referential, by which mean that money tends to refer to its own value instead of contingent upon something else; and production sector is simply structurally coupled by this floating valuation system. Value told you what is good and what is worthless, and production simply obeys rather than the former reflecting the supply and demand of the latter sector.

In the case of socialists state, however, these bureaucracy-form, are more convoluted than that of its negation, that is, capitalism. In capitalism, although it is still being manipulated with value that refer to itself and thus floats freely without anchor, the subjective value are not directly demanded by top-down hierarchy, but are agreed upon in society. There are still a sense of negotiation inside the market of the capitalist, that is absent in the Socialism.

In this case, socialist bureaucrats, still on the idea that value is neutral, got a double errors as in, one: making the negotiation of value irrelevant, and two, bureaucratic inefficiencies instead of mobility of free market. The Politicians assume that they know better of a value of a grain rather than those who had get their dirt on their hand, had taken the violence of the Capitalist in a whole another level of malevolence. The price is fixed; there are no room for dissent. A farmer can starve and die in their own plentiful farm, and these perverse socialists calls it ‘justice’ by their own standard. Thus, we can see how the state socialists project on 20th century are basically are starvation upon starvation; and there had been a several case of corruption among the bureaucrats themselves.

Their rallying cry: “seize the means of production”, is cry not of the proletariat but the bourgeoise dressed in a red flag bureaucrat, using the language of populist rhetoric, to seize the means of production of the worker to the state, and then enslaving them with the same -or maybe worse absurdities of an economic system.

Their malevolence is not only on the terms of economic, but also material violence as we’ve seen in consciously planned mass starvation is Soviet, or purges of intellectuals by the state in repressive countries in Polpot’s Regime, or maybe Lysenkoism in the USSR. The worst thing about these absolutists, is that their almost spiritual zeal is blinding them from actually manifesting a socialism, and would take an extreme amount of action to implement socialism in the way they thought it is the only right way: that is, forced redistribution and confiscation of means of production from actual worker, and fixed price by the state.

This is why there are the case of defects from a socialist country would prefer living in capitalist country, and may even promote capitalism above state socialism; because at least there’s negotiation of value inside the capitalist society which is absent in its former.

The cry to ‘seize the means of production’ is no longer revolutionary—it is bureaucratic. Workers already sustain the factories, the grids, the farms. What they lack is not control of production, but the right to decide what counts as value. Without seizing valuation itself, every revolution simply installs a new CEO draped in a red banner.

CREATING A NEW FICTION
REDEFINITION OF VALUE

As we had discussed before, all of these problems were exist because of the floating signifiers of value that is detached from a real production sector. Since there's an accumulated value that is unbounded by real production, production simply got overwhelmed and thus creating all sort of problem: especially, an alienation between worker and its own products and services because of the lack of necessary feedback from valuation sector.

To put it into cybernetic terms: a regulatory system must be at least as complex as the environment it regulates; otherwise, it will collapse under pressures it cannot match. The variety from Valuation sector must be able to handle the Variety from Production sector, for both be able to grows in healthy condition. Capitalism and State Socialism had failed this test because the variety from Valuation sector is far too little for it to properly handle the complexity of different Production sector, thus even though there are abundance, the valuation sector would create an artificial scarcity to propagate itself. The Valuation sector then cannot give the production sector necessary signal (what to produce, what is needed, etc), and thus both system suffers until its climax happens at economic bubble crash, or state-socialists bread lines, etc.

Now, a re-examination. If then:

1. The true value of an object remains barred because our ideological lens, yet that fiction are necessary for us to be able to register said value in the first place;
2. That the problem with the Capitalists is a fictitious capital that had estranged workers from their just value;
3. That the problem with the Socialists is that the abolition of commodity or means of valuation is impossible, and that the absoluteness of the state upon dictum of value risks creating a more malevolent form of valuation;
4. That there are no possible exits from a system, because of the nature of human itself, which is a system that simply alienates the Real to experience value;

Then the only option left is for us to create another fiction that at least ground these means of valuation into what had been produced in the real time; that is, a valuation system that are bounded by material reality and are structurally incomplete in its form to keep the negotiation and dissent possible so that there are freedom in valuation that remains bounded by shared reality of production. From this point, I would imagine a four pillar of valuation, in which issuance of money or value should remains bounded by these limits. These are: Production, Infrastructure, Energy/Earth, and Social Incompleteness.

These would become a new referent, in which all monetary system can opt to back their currencies with: a dynamic post-scarcity gold standard, in which reflect real material progress of ours.

We hope that, by tying 2 sector in such a way, it would gives valuation sector its own ceiling appropriate to the real material capacity of production, in which it

would necessarily dissolves the chaos and absurdity in our current economic system. We hope to structurally couple these 2 different sector: Valuation and Production, so each would have their feedback properly met by others. In that case, the amount of aggregate purchasing power, must be equal to the amount of real production itself, so that we can satisfy Fisher's equation at all times, and make the prices stable proportional to velocity of the money available, dissolving the crisis entirely and making it mathematically impossible.

PRODUCTION

It should be the case that the addition of new value in a society represents a real surplus in production itself; or surplus in any way that affects the mode of production itself. If then there are an excess value that are beyond the output of real production of goods and services, these value should be negated and decayed. The only way to accumulate value then, is an investment and not accumulation of value that is detached from a real production sector. an addition of value of production, can be made with transformation of raw material into another state of production that has more utility value than before. Addition of value must also equal to addition to production itself; with the price that are backed by the labour and resources necessary for goods/services to be served. The more someone wants to extract profit by heightening its price beyond what its costs of production are, the more that of the excess profit should be decayed. Profit are still exists, but the more you take, the more that it would decay from the starting point of the cost of the production.

INFRASTRUCTURE

To incentivize the populace so that they invest on infrastructure, it should be the case that a surplus value also represents an improvement and/or addition to a real infrastructure of economy itself, so that the means of circulatory system of economy are remains unharmed and are improved upon; that is, by limiting the risk of harm caused by overproduction that can affects the whole infrastructure of the economy itself.

ENERGY/EARTH

To limit and incentivize the populace so that they invest on creation of renewables, it should be the case that a surplus value also represents an improvement and/or addition to a real surplus of production of energy, so that the resources of the populace are not to be mercilessly exploited by production itself. A harm or inefficiency in producing goods/services that results in a negative surplus of energy or the environment should then affect the overall value of said produced itself; and conversely, the more a producer innovate to create a more efficient mode of production that respect the energy, the more valuable the output should be. Populace then, are incentivized to either invest in energy sector to preserve their value, or by buying a slightly more expensive

goods/services using a more ethical use of energy, creating a healthy economy that respect nature.

Energy capacity should be a limit within local. Each production that borrows energy is translated to appropriate costs of production of goods. If within pools of producers one produce unsustainably, in which it results in consumption of energy above the limit (coal burning and all, electricity), then it got punished appropriately via decay or redistribution. To make profit out of it, you either heighten the ceiling by building new renewable power grid, invest in ecological restoration (eg. tress planting that would make a regenerative, timely profit from its first planting until its maturation) or renewables, or that you find a way to produce using less, thus heightening your profit.

The same logic should then be applied on space itself: the land, water, and air of the earth. Any loss from use of limited resources should be made proportionate to what it had produce after. Those who buy the a hectare of land should be able to at least give back the same land value in proportion to each cycle through tax, else the ownership would decays.

SOCIAL INCOMPLETENESS

The most important aspect of this new fiction is that: the value of things should never be absolute and are able to be debated in every locals like how a market usually should be. It should be upon the nodes of every locals that decides what is count as productive, and what kind of regulation should there be in each local; each were bounded by material constraint of real economic resources and surplus. Ideally, there can be no speculative market or interest on any system, and every issuance of new money should be that they reflect the real economic surplus that had been agreed upon by the local. But since value itself cannot be purified, valuation then must be designed as speculation and profit itself serve the real economy instead of its own; that is, by making the unbacked money itself decays proportionally in what it refers to (PIES). The more money are created, the more it has decay rate, and vice versa.

It cannot be the case that this variable become absolute, as it is upon the incompleteness of Socialism itself, that democracy should arise within the market itself, to decide the real outcome of each economic activities. A price then, maybe relevant in one region and then changes in other region in accordance to each needs.

That being said, Investment of social needs should then made profitable as increase of quality of labour should reflect the increase the productivity in PIE variables. Any form of investment on social, then can also be valuable: art, education, medical care, etc.

THE STRUCTURE OF THE NEW ECONOMIC SYSTEM

VALUE EXCHANGE MARKET

Every local should contain a Value Exchange Market (VXM): a market that is, instead of calculating speculative finance, are instead calculating a real input-output of all aggregate PIES into new one scheme, that it then were used to issue money accordingly. VXM, are also a market which, according to the input from Social Incompleteness, decide the value of things and thus issue money accordingly. The data that were processed should be open-source, and they were several VXM, that is acting like a blockchain technology, that cross check each other input and output to prevents manipulation.

There's a local nodes, that calculates and cross check each other input according to each and itself (Social Input). From these decentralized nodes, the sum of all calculation then were harmonized into the Central VXM, which get all of it data from all local nodes into one big calculation, that is then issue money from according to available data.

If the circulation of Money are exceeding available PIES, then the excess money are to be devalued or decayed unless it is reinvested into economy again. If circulation of Money are bellow the calculation of PIES, new issuance of money follows accordingly through reinvestment to each local; especially into the nodes that produce said excess PIES, which are then reinvested back into the local.

GUILDS AND LOCAL

For every production there is, there should be a representative that propose a value of said output from a production of goods and services. With it, Guilds or associations may be able to be an option to represent each sector accordingly. It can also be the case that an individual member and/or company should represent itself in the VXM, which then proposes a value of all aggregate products that is counted into PIES variable.

Guilds is voluntarily being made by the locals though; and it can be the case that a company just represent itself. Guilds can restructure itself, dissolve, or broken up as they will.

RECURSION AND FEDERATIVE VALUATION SYSTEM

To mitigate the amount of calculation of real goods then, it is not enough to simply uses the top-down perspective to view things. Therefore, the aggregation of prices and the amount of goods should start at the very user themselves. In this case, we can use Beer's VSM to design a cybernetic valuation system in which it does not command prices, but merely acts as a sensor to how much of the amount of real production available, in which it would acts as a referant money issuance by other system.

At the first level of recursion, producers would buy and sell things as always, negotiating the prices of their own goods based on the cost of their own

production. These producers then would be coordinated into different sector of each of their products, through Guild at the second level of recursion.

At the second level of recursion, these guild would then receives the report from each of the producers about the prices of their own goods, comprised of the cost of production and profit margin. The Guild would also negotiate the prices between the producer themselves, coordinating the first system that is the between the users. The guild would also receives information about the aggregate amount of goods and services that has been made available from the first system themselves.

These guild would not be limited only to each of producers, but also would maintain the Infrastructure Pillar and Energy/Earth pillar using each of their unique valuation system that is translated to the same protocol. Thus, these guilds would be a Voluntary associations of producers, communities, or caretakers of a resource (e.g. Water Guild, Transport Guild, Forest Guild, Food Guild). So we would imagine maybe ISP or other sensor; any means available to monitor the usage and maintanence of both the infrastructure and nature on each local. All of these guild would be a voluntary union in which can be forked by the first system to make another guild if there would be a case of corrupt valuation or else. They themselves may coordinate between guilds outside VXM to negotiate value.

These report from the first system would then be compiled by the guild, in which it would then report it upward into the third level of recursion, which is the Value Exchange Market.

At the Third level of recursion, the VXM would compile the information of the aggregate amount of PIE that had been received from second system, all while coordinate and negotiate values between each respective guilds to decide the value of each from what had been produced, in which it would decide the aggregate amount of PIES available in a local. At this level of recursion, there would also Town intelligence to decide local strategic planning, in which the system itself would then decide how and what do the system would value. This is the Social incompleteness pillar, in which on each town, the VXM would have a democracy within, to decide how to value non-material production that cannot be immediately known through quantitative diagnose, like healthcare, care work, etc. This pillar would also discuss how would zero-decay investment that replaces saving would be managed within the protocol. All of this system then would shows the amount of aggregate PIES to the local, in which it would be made as a referant to the money issuer with the same system of recursion, to proportionally manage the amount of money circulating inside the town.

At the next level of recursion, the federacy between inter-node of VXM can be replicated with the same protocol until national or even global scale; producing a competing economy with unique valuation dialects to each local without subsuming them into a single planned economy. There’s also the need of multi-channel flows of information to lower paralysis from too much autonomy and informational

bottlenecks, and audit on each level of recursion to heighten coordination between systems.

To lower the cognitive overload, VXM would structure automated calculation of quantitative amount of production of each local directly from producers to guild to VXM. This layer runs almost frictionlessly: production data, flows of goods, usage of infrastructure/energy, all measured and automatically translated into PIES metrics. It would be a protocol entirely; just a numbers — what was made, where it went, what was consumed. This provides real-time transparency and stability — prevents hoarding, hidden inflation, or opaque value extraction.

The deliberation part would be about how much we value these and etc, in which the VXM would only produce PIES metrics. Communities, guilds, assemblies, etc. decide how to value different outputs (e.g. is solar energy worth more than coal? should ecological restoration be given higher weighting?). The deliberation doesn't interrupt daily transactions — it only adjusts the metrics periodically. The VXM just produce PIES metrics as it outputs, which can be readjusted based on deliberation.

Because of the nature of flows of information into VXM, they can also be used to see the health of a local/state itself. It can be just a sensor protocol for the whole economy, with the state, government or town council can experiment with it on the real time to see how would the economy do given certain policy. The VXM can provide the data itself for a simulation inside its own system, so that economists can experiment with policy and all on past temporal data. They might try to implement liberal capitalism, Marxist policy, or Keynesian economic within these simulated, real time-data to inform the scientists inside about the consequences of their own policy potentially, without resorting to pure experimentation in which it would cause real crisis and costs lives.

Now some might realize that VXM is just a protocol counting PIES. It doesn't dictate prices, plan the economy forward, nor it would shackle the market outside of its own speculative, parasitic risk. In this case, it might be the case that VXM can be build tomorrow if possible, under the banner that they are just a better sensor to simulate the economy and carries valuable data for studies. It just that whoever issue money based on these PIES metrices, their money would reflect current amount of material growth and becomes more stable than its competitor within a state, without explicitly against national currency, all the while slowly undermining them quietly by proving to be better money.

THE ISSUANCE OF MONEY

All issuance of money should be contingent upon what it had reflect in PIES variable; any excess of money should decay, and any deficit of money in accordance to PIES should prompt an issuance of new money. It would not be enforced externally, but structurally. The issuer then might print slightly more money that

is more volatile in its decay to run the economy, or that they would print the exact amount of money in accordance to PIES, both of which is allowed, as long as the formula remains: The Higher money in circulation is compared to its PIES, the more it rapidly decays, and vice versa.

The issuance of money can be taken in any form: whether centralized or local. In this case, it is recommended for each local to issue their own money in accordance to their own PIES value. This would results in competition between locals in which it foster innovation within different geographical landscape and environment. Each locals then have different dialects, but are all tied to the same protocol as PIES. It would also increases durability of the whole system, because different issuance would means different ways in which a local may or may not follows the system that has been originated from themselves, yet becomes corrupt. This would provides a healthy forkability system in which local may build their own station of VXM and Issuers, in which they are all still tied to global federated PIES system if they ever choose to.

This would also provides a chance for the whole systemic evolutionary progress by pruning the system itself; through forkability and observation of cheating mechanism, one could learn better to become a better, more durable system.

It might be noted again however, that money issuance is separate entity all together (by a common assembly or delegated issuer) aside from VXM, in which Issuers follow the protocol of proportionality between money and PIES, while the VXM counts how much PIES there is.

The goal of the whole PIES system is to give the least amount of guardrail with maximum producer freedom, but in a designed ecosystem where systemic collapse (like bubbles, monopolies, exploitation of nature) is prevented.

For example, let’s say we want to value a service worker. Here, the VXM coordinates discussion between guild and/or town council to decide: “a certificated teacher/doctor that works 8hours/day would be valued X PIES/hour. the VXM then would automatically aggregate the data from each guild (how many hours from both profession and how many people) and then show the issuer the calculated PIES that has been reported (e.g. 1.000 PIES). The issuers then issue currency at appropriate amount; or to be exact, maintaining decay or issuance based on available currency in circulation. Remember that the money issuer is different entity (issuing more currency to stimulate the economy more or making stable economy by exactly producing the same amount of money); so that it can be forked. the VXM however, would remains a transparent protocol. Anyone can form an issuer, or build new VXM from open-source data that has been made available.

The point is: we don’t try to manage prices here, as price in this case should be the matters of the market via supply/demand themselves. What we manage is the circulation of value itself, the money and the power of that money, so that it is remains proportionate to the available signal, which is prices signal of the user translated to PIES. The profit can remains, but unbacked profit would decay, so

there's maybe that the circulation of money is made slightly higher to the pies itself, so that the economy goes on. The Issuer then would have to be verified by VXM itself, so that it remains the case that money which exceed PIES would decay, and vice versa.

It might be the case that an issuer decide that 100 pies = print $10000 in a town; so the issuer can either make the exchange rate for its own currency (that is, proportional to pies nonetheless (1$=0.005PIES)), or that they choose to reflect PIES at the more or less exact money issuance (there's 100PIES= print 200$ with decay rate about x% or something close). Each town might have different money, so they have competing currency exchange rate within federation, or that the federative can decide to issue one kind of currency for the national exchange; but we would recommend a different, competing currency to avoid bottleneck and to promote competition of collaboration of locals. The role of issuer and VXM would remains distinct system. One is to calculate aggregate PIES; the other is to issue money proportionately to PIES's condition itself.

ALGEDONIC SIGNAL

There should be a nerveous circuit within the system for it to be able to tell the whole system that a crisis or shortage occurs in a local. This signal would bypass all recursive levels from the first system, the producers themselves, directly into all upper level.

Let's say that each essential good or service has a critical supply threshold based on population and normal consumption on a region. If supply drops below this threshold (say, food, water, energy, or healthcare), a signal is generated. This threshold can be dynamic, accounting for seasonal variation, emergencies, or local conditions. The signal could be quantitative (e.g., "shortage severity index = 0–1") and automatically transmitted to the VXM. Severity could scale with deficit size: small drops create mild alerts, extreme drops trigger stronger responses.

This would give the ability for the system to respond at multiple layers. At local level, the system might trigger temporary subsidies or rationing to ensure equitable access; Incentivize nearby producers to prioritize production of the scarce essential through increase of price of necessary goods; and activate local infrastructure support (logistics, storage, distribution).

At Guild level, they would coordinate production and redistribution within the guild or sector. PIES metrics adjustment then executed so that value flows toward scarce production.

At Federative level, the system can tell other region to mobilize resources from other regions if local supply is insufficient, and adjust issuance of money tied to the production of essential goods to incentivize replenishment.

This system would prevents crises from escalating because shortage is detected before prices spiral or debt crises hit. This would Maintains stability of essential goods, and that the system can respond differently depending on local capacity and federation support. Locals might report unmet needs via democratic process, feeding into the severity calculation.

We could also include a time-sensitivity factor. For example, if shortage persists beyond X days, severity multiplies exponentially. We can also tie the crisis for energy/environmental justification: if shortage arises from unsustainable practices, corrective actions include both production and restoration measures.

PROPERTY AND OWNERSHIP

It should be the case that any property and ownership of lands, buildings, means of production, and all which is affecting the economy, should have its justification of ownership be contingent upon external valuation, and not be absolute upon itself. There are no absolute property for the State, Proletariat, or Company all together: all form of ownership should reflect external justification of VXM. Should there any idle property that limits economic activities, there’s a leveled tax that being imposed upon to the actor, which then:

1. Making hoarding less profitable in each cycle;
2. Making their unbacked profit decays in each cycle.

Any ownership belongs to those who were able to use the resources efficiently, that results in real surplus of PIES.

Property should become a theft when their justification become self-referential, and that the profit comes from speculation rather than actual contribution proportionate to the space/resources it took. Else, any idle ownership upon the earth that has potency of real Profit in proportion to the Earth pillar itself, would then found its ownership status decaying.

BANKS

Banks can only serve 2 purposes:

1. To give loans based on available real investment on PIES, either through certification to the Issuer or VXM recommending the creation of new moeny for a PIES-related project (eg. New solar farm, etc.) and not its own, or that the bank lends their own money through their own PIES assets;
2. Provide a space for saving through reinvestment of capital to prevent decays.

There can’t be an interest or profit made by speculation; all profit should reflect real surplus in PIES.

The third party then (State, VXM, etc), cannot be just another self-referential system but must provide a means for this contingent process to occur within an ownership. For example, the state became a mediator between the company and stakeholders, including the workers. If such and such an arrangement is found to be contradictory or oppressive in any way or form, then rearrangement must occur. this can only exist if all parties that is related, not just one party, sublimed their contradictory motives through a social contract, in which it can be refined if there's found to be a contradiction.

EXTERNAL TRADING

This system would, of course, exists not in a vacuum but in the middle of volatile-yet-rich environment. It would need to interact with capitalist markets, nation-states, and other economic systems. This interaction would be a major source of tension but also a key strategy for growth.

Now, the reason that the federation might need to trade with outsider, is to acquire necessities it cannot yet produce itself; all the while avoiding being subsumed or corrupted by the external system's logic. Inside PIES system, its internal economy is dealing in real wealth, while the external economy deals with fictional claims (fiat currency, stocks, crypto). Therefore, trade is the process of exchanging real wealth for necessary fictional claims, which are immediately used to acquire other necessary real wealth (imports).

Trade might be managed through a specialized public utility or guild, often called an "Import-Export Board" or "Trading Guild." Think of this as an economic airlock—it manages the pressure difference between the two systems to prevent the hostile external environment from flooding the internal one. This Trading guild would support the community's exports of its high-value, real-goods surplus into outside system, to gain external money to acquire the necessitated good that yet to be produced independently, maybe advanced technology or essential medicines. These exports are sold for external currency (e.g., US Dollars, Euros). The Trading Guild uses the external currency only to purchase critical imports that the community cannot yet produce itself.

These imported goods are then sold internally for the local PIES-backed currency. This is the crucial step. The community gets the needed goods, and the external economic risk is contained within the "airlock" of the Trading Guild.

Note that the external currency earned cannot enter the internal PIES economy. It is held by the Trading Guild in a external account. Allowing it in would be like introducing a virus; it would create a speculative, dual-currency system and undermine the demurrage mechanism.

The biggest risk is that if the "airlock" fails, Internal users might start demanding payment in external currency for their goods, creating a black market. The Trading Guild itself might becomes corrupted, prioritizing profit in external

currency over the community's needs. It can also be the case that External actors (corporations, states) use trade deals to demand political concessions or enforce rules that undermine the PIES system. Thankfully, if the airlock fail, other local could cut themselves off from contaminated local, that its own discontented user would fork the compromised market for the PIES market instead; leaving the compromised guild in volatile market environment.

Contingency

Each VXM or locals can regulate itself freely in accordance to their needs, while retaining the PIES valuation. Each nodes contains its own 'version', and the best version (the most stable version) of them (in their background regulation of Social Incompleteness) became a kind of default template of a new node, without dictating others.

Contingency should also made possible, as the price of goods and services of all nodes are made to be transparent, so that each local can judge the price of a goods in their own region. Should Guilds Collude to Inflate Prices: VXM checks cross-guild PIES data; Decentralized nodes detect pattern mismatches; Other Guilds or Locals can challenge false scarcity; Locals penalize producers who misreport infrastructure usage or fake shortages.

Should there any corrupt local, guilds, or corrupt VXM emerge, the buyers would simply change their allegiance to other local or nodes, thus making it redundant. If there is a cluster of nodes cheating, then it is being made redundant by the people themselves, by changing their VXM into other local, and the corrupt scheme are made into the digital log for future contingencies.

Should there's any unfair monopoly, a Guild corners the market on copper and withholds supply to drive up price; Surplus of ownership without delivery would triggers decay. Other nodes can issue a challenge and call for dissolution or open competition. VXM does not reward scarcity for its own sake, only justified scarcity (natural limitation or innovation bottleneck).

Should a Guild claims it produced 1000 units but only delivered 400. VXM includes delivery records and downstream consumer logs; Open data tracked by blockchain-like VXM ledger; If delivery is unverifiable, VXM invalidates surplus value, and make their money decays.

Should a Guild claims access to power plants or ports it doesn't control: Locals validate infrastructure use and social inputs; Infrastructure claims cross-checked by public logs and local consensus; if there are false claims, Guild is then blacklisted. Property and energy must be externally validated.

Should A Guild bribes or takes over Local decision-making to validate unjustified property; Local nodes can be audited by other Locals or VXM. Locals must maintain transparency on justification data. If a Local is consistently biased, other

guilds/layers can escalate to Central VXM protocol vote or fork. Rotating validators, Decentralized witness nodes, and Public logs of decisions, should heighten the security from manipulation.

Should a firm buys land or infrastructure and does nothing with it, hoping it appreciates: Property rights are contingent, not absolute. VXM tracks use-based justification. Should there an Unused property, Value would decays and can be reclaimed or challenged. Justification clock ticks on idle property.

Should a Guild exaggerates how "socially incomplete" its work is (e.g., overstates educational, health, or ecological value): open participation, consumer feedback, and local voting can moderate it. VXM could set ceiling caps or require external metrics (social impact audits). It can also be the case that a third party might need to step in (government arbitrator, etc.).

Should nodes in the VXM network collude to validate fake data or delay decay: each node cross-verifies using a block-chain technology. There are weighted reputation system for nodes: those who validate false claims lose legitimacy. Central VXM has protocol for forking away from compromised nodes.

Should there a malicious actors create hundreds of fake guilds to game validation or overwhelm the system: Guild creation requires real PIES backing and Local approval. There's a Sybil resistance mechanisms (like Proof-of-Work or Proof-of-PIES). Locals filter and gatekeep before Guilds can enter the market. Guilds without local anchors don't pass the VXM gate.

Should there an Algorithm Gaming; Guilds figure out how to optimize around VXM's decay algorithms to maximize return while still hoarding or faking data: VXM algorithm is open source but dynamic—updated via consensus. Patterns of value decay / inflation detected and addressed in protocol updates. Guilds that game decay too precisely might be flagged for "unnatural symmetry."

SCATTERED PROOF-OF-CONCEPT

The vision of a post-capitalist, post-state-socialist economy can feel like a utopian fantasy, a ghost without a body. Yet, throughout the 20th and 21st centuries, fleeting experiments have emerged like sparks, illuminating fragments of the path forward. They are not perfect blueprints, but rather scattered proofs-of-concept—some successful, some tragic, all instructive. They prove that the systems we live under are not immutable laws of nature, but contingent designs. And they provide the crucial, real-world testing grounds for the components of the PIES system.

Wörgl, Austria (1932-1933): The Power of Demurrage

In the depths of the Great Depression, the small Austrian town of Wörgl was bankrupt, with rampant unemployment and decaying infrastructure. Its mayor, Michael Unterguggenberger, implemented a radical solution: a local currency with a

"demurrage" fee—a monthly stamp required to keep the banknotes valid, effectively causing the money to lose value if hoarded.

The Mayor understood the core flaw Fisher would later formalize: money had ceased to circulate. It was being hoarded, strangling the real economy. His goal was not to abolish money, but to weaponize it for public good. The demurrage fee made hoarding irrational and spending and investing imperative. It was a tool to force the velocity of money (V) to match the community's productive capacity (T).

New policy then being formalized: The town issued "labor certificates" to fund public works—repairing streets, building drainage, and a ski jump. Workers were paid in this currency, local businesses accepted it for taxes and goods, and it circulated rapidly. The need to use it or lose its value created a vibrant, localized economic circuit.

The experiment was a stunning success. Unemployment dropped 25% while it rose nationally. Public infrastructure was rebuilt without debt. The town experienced an "economic miracle." But its success was its demise. Alarmed by this challenge to its monetary monopoly, the Austrian National Bank sued, and the state shut down the experiment in 1933.

The means of valuation are a protected privilege of power. Any alternative system must be federated and decentralized to resist cooptation and suppression by centralized financial authority. Wörgl proves the incredible efficacy of demurrage in stimulating real, local production, yet it lacks resiliency from external pressure.

Project Cybersyn, Chile (1971-1973): Smart Socialism

Under President Salvador Allende, a team led by British cybernetician Stafford Beer designed Cybersyn (Cybernetics Synergy), a revolutionary attempt to create a decentralized, real-time computer network for managing a socialist economy democratically.

Allende wanted to know how to coordinate Chile's nationalized industries without recreating the stifling, inefficient bureaucracy of Soviet-style central planning. Cybersyn was the answer. It wasn't meant to command the economy, but to sense it—to provide a nervous system for feedback, not a brain for top-down control.

How would it work is pretty revolutionary at the time: a proto-internet. A single telex machine in each factory would send daily production data to a central computer in Santiago. Using Beer's Viable System Model (VSM), the system would identify bottlenecks and shortfalls. Managers and worker councils would then be alerted to these deviations and could collaboratively decide on solutions in "ops rooms," equipped with futuristic chairs and data visualization screens. It was designed for requisite variety.

The Results was that the system is remarkably effective. Even with the US-backed sabotage though truckers' strike, the Telex network efficiently re-routing resources all the while bypassing crippling and bribed bureaucracy on national scale for a while. However, it was never fully completed. The project was destroyed in Pinochet's US-backed coup of 1973. Even though it might be the case of viable socialism, able to grow faster than its enemy, political factor turns to be its demise.

Cybersyn is a tragic and powerful proof-of-concept for the cybernetic structure of the PIES system. It proves that Technology can be used for participatory, non-authoritarian coordination; A recursive flow of information (from factory, to sector, to nation) is viable.

The greatest threat to a new system is the violent reaction of the old order. It underscores the need for a system that is not centralized and vulnerable, but federated and resilient—precisely the goal of the VXM network.

Ostrom's Principles & the Digital Commons: The Logic of Federation

While not a single project, the work of Nobel laureate Elinor Ostrom provides the most robust empirical proof-of-concept for the "Social Incompleteness" pillar. She spent a lifetime studying how communities around the world successfully manage common-pool resources (forests, fisheries, irrigation systems) without either state control or privatization.

Ostrom dismantled the "Tragedy of the Commons" myth. She found that communities consistently avoid ecological and economic collapse by developing their own adaptive, democratic rules.

Ostrom identified eight core design principles for successful commons, which read like a blueprint for a PIES local node:

1. **Commons need to have clearly defined boundaries.** In particular, who is entitled to access to what? Unless there's a specified community of benefit, it becomes a free for all, and that's not how commons work.
2. **Rules should fit local circumstances.** There is no one-size-fits-all approach to common resource management. Rules should be dictated by local people and local ecological needs.
3. **Participatory decision-making is vital.** There are all kinds of ways to make it happen, but people will be more likely to follow the rules if they had a hand in writing them. Involve as many people as possible in decision-making.
4. **Commons must be monitored.** Once rules have been set, communities need a way of checking that people are keeping them. Commons don't run on good will, but on accountability.
5. **Sanctions for those who abuse the commons should be graduated.** Ostrom observed that the commons that worked best didn't just ban people who

broke the rules. That tended to create resentment. Instead, they had systems of warnings and fines, as well as informal reputational consequences in the community.

6. **Conflict resolution should be easily accessible.** When issues come up, resolving them should be informal, cheap and straightforward. That means that anyone can take their problems for mediation, and nobody is shut out. Problems are solved rather than ignoring them because nobody wants to pay legal fees.
7. **Commons need the right to organise.** Your commons rules won't count for anything if a higher local authority doesn't recognise them as legitimate.
8. **Commons work best when nested within larger networks.** Some things can be managed locally, but some might need wider regional cooperation – for example an irrigation network might depend on a river that others also draw on upstream.

From the alpine meadows of Switzerland to the irrigation systems of the Philippines, Ostrom documented countless communities that thrived for centuries by following these principles. In the digital realm, projects like Wikipedia and Linux demonstrate the same logic: decentralized, self-governing production of immense value.

The lesson that can be taken is that, The "S" in PIES is not a theoretical wish. It is an empirically verified necessity. Effective governance is always local, adaptive, and democratic. A global economic system cannot be designed from the top down; it must be a federation of self-governing, Ostromian commons, connected through a shared protocol—exactly the role of the VXM.

Synthesis: The Bones of a New System

Alone, each experiment was vulnerable. Wörgl was crushed by the state. Cybersyn was destroyed by violent reaction of US Hegemony. Ostrom's commons are often encircled by global capital. But synthesized into the PIES framework—with its federated VXMs, its PIES-backed currencies, and its commitment to democratic contingency—they might form the resilient, interconnected bones of a new economic body. These experiment proves that the means of valuation can be seized, and that another world is not only possible—it has already been tested, albeit scattered across history.

CLOSING

I've betrayed state socialism to achieve communism through capitalism; the real capitalism, in which the power of monetary system, belongs not to the public sector or to be regulated by them and protected by; but by building a real economic entities, the Value Exchange Market that calculate the real aggregate production of the capitalists, their Production, Infrastructure, Energy, and Social value (PIES). The ledger of Social Values remains incomplete, so that there

is a democracy inside the valuation, and to harmonize all of the variables via open-source, Blockchain and AI technology, through decentralized nodes of VXM.

For me, on the Class Struggle, a class is defined by what means does a subject or group had make their ways into social ladder. if it through honest labour in which it produces things, they are 'worker'. if it fictive, then they are bourgeoise.

It is not only limited between who 'owns' things, but by what means do they 'own' things. Thus, it is contextual. Worker can own multi-national farm that actually produces real value, but their value is made redundant by upper class, in which it then monopolises them in the first place, because valuation system allows them to be.

Limitation and Rough Ideas

My limitation is that im not a mathematician and programmers; so i can only envision it for now at least philosophically and systematically; and so this economic design, albeit plausible, still has so much potential to be polished and weaknesses to be addressed.

That being said, I imagine that even if, there's a technological boundaries, it can be managed, but it is remains underdevelop. For example, Local can use PIES via note-based stamps, until local can no longer able to calculate bigger number because of heightening economic activity; thus necessity of higher calculation abilities in a local, would implies that the economic activity in said improvised region is developing, thus, this Economic system, were able to be implemented both locally, and globally, regardless of technological barriers.

Another idea that comes to mind, is that to make PIES persuasive enough, make PIES transmutable to other existing and circulating currencies like Rupiah or Dollar. Since PIES are stable and others are unreliable because of inflation, PIES would naturally being recognized as having better stability, attracting more users; PIES value would become more and more higher than its counterpart, since its got a new gold standard. Another idea for the transmutability is that a new user doesn't have to start at 0, but their money is transmutable from the start, plus their working hours and all, if they ever want to audit their material output to VXM. The more they use that PIES-backed local currency, the more it would grow. Since the money would decay nonetheless, why should they spend it on something?

But for Social Incompleteness and how would locals participate and etc would require much rigorous design. Another problem is always transmutability; Other currencies can buy PIES, but it's unclear if others allows their currency to be bought with PIES. If, however, a farm or producers signed into PIES, and since PIES actually calculates their product outputs in real time, one way to transmute PIES into other currency would be selling out the output to other currency. This is assuming we got a trustable mediators that would protect the products from devaluation caused by artificial scarcity.

To prevent cooptation, rural area might bbe able to be used for experiment. Papua or kalimantan for example; or africa to bypass CFA, by issuing local currency backed by PIES. PIES is a new dynamic gold standard after all; only calculating material output that is locally existed and produced.

My Hope

This economy, would cut the middleman between the private capitalists and abolish the oppression from the public sector that often enforces itself in the name of 'free market', as it is with Socialism, in the name of 'Communism'.

However, it should be reminded that this system still are incomplete, in a way that, it is very much in develiplent. It is theoretically possible to implement it at national scale; but it then require much of improvement on the system. PIES system, is all on its best and weakness, is inherently incomplete; but it is theoretically possible to create an economy where value are bounded by material constraint and are able to decay.

I invite all the worldbuilders to imagine a new form of valuation system, in which it:

1. Prevents speculative trading, interest, and fictitious value;
2. Abolish artificial scarcity;
3. Incetivizes real production;
4. Rewards innovation, especially on the Energy and Infrastructure sector;
5. Keep the Social Incompleteness Intact; and they are NOT absolute; Designed for contingency and non-absolute;
6. Scalable in Local to International region; preferably decentralized.

Note that all of this design remains a rough draft, in which there are potential weaknesses in which yet remains to be addressed, so no system should be absolute.

In the meantime, I would try to make a further research to explore this new economic system through Gesell, Proudhon, Lietaer, Fisher, etc. My limitation is that I haven't got any experience in designing an economic system; although, I would be interested in exploring this further, Insyaallah.

COMMUNISM THROUGH THE MARKET
CYCLE OF COMMODITY—TURNED-RIGHT

To Answer any advocate for gift economies or other economic alternatives, The reason why I choose NOT to abolish money:

1. Money still gives an agency and can be used to rewards productivity

2. Money can be redirected, designable, and can be made accountable. We can tie them into productivity and it can still become better and more pragmatic than its alternatives.
3. The alternatives is far more opaque, thus preventing a greater coordination;
4. It still allows for profit. Yes, it is unbacked, but Unbacked profit would decay Unless reinvested; so either way, it incentivizes growth and is far more acceptable to the Commons rather than opaque alternatives that risk making this system seem authoritarian like rations or things.

The prediction thus follows: As the demands lagged behind the production quota, because the incentives of making new values also implies the innovation of new way to produce, production thus became abundant. Inflation then— means abundance of production, which then regulated back into subsidiaries, and making basic necessities a right via subsidization. It is only then, the potential of true exploration of the commodities can be made through, as the positive cycle keep up; exploration of new commodities > abundance > subsidization > new exploration....

Overproduction then, doesn't mean inflation that harms, but a signal of universalization of certain products that far exceeded their production from the demands. Only the excess money, the unbacked money that is cut off from the Real variable, thus excess and idle money are the one that decays. since there is an incentives to invest, non-material activity such as art, parenting, and all, can be seen as profitable in this sense, and are even made to be subsidized. Just think of it like a stimulation that making the system evolve to its higher stage so that it can first handles the basic necessities, and then comes subsidization upon another subsidization as the rewards come. in fact, the Social Incompleteness design allows for such evolution to happen. another thing about VXM, is that they are decentralized and local; they were made to cross check each other, and each local can demand one's ledger via social incompleteness itself.

The whole design of PIES system is contingent; it thrives in critique and then evolves better. Contingency also allows federated economic system to ease the development of local' s material progress through other systems; one' s subsidization means more opportunity for the whole local to subsidize said commodities, allowing the whole to develop easier. Besides; if then we tie money to actual production, we may even have the opportunity to develop another economic system that is better along the way, maybe gift economies and all. It's not gonna be an absolute, that's the whole point of this design; but it's the most pragmatic alternatives thinkable. Even if, there's a technological boundaries, it can be managed. Local can use PIES via note-based stamps with no technology, until local can no longer able to calculate bigger number because of heightening economic activity; thus necessity of higher calculation abilities in a local, would implies that the economic activity in said improvised region is developing, thus, this Economic system, were able to be implemented both locally, and globally, regardless of technological barriers.

The durability of such design would be that, even, or to be exact, precisely on time of crisis, the incentives of production would surges up, as value only derived from real activities of production; contrary to mainstream capitalism where, in case of war or crisis, the production are strangled because of the money that over exceeded the available products.

Let me emphasize this: it is only through the emancipation of Private Capitalists and Small Workers, rather than public entities and top-down governance, in contrast with State Socialism or Neoliberal Capitalism, that true potential of Free Market can be unleashed and withering of the state may become a possibility through the cycle of Commodity-turned-right. Therefore, it is imperative for those who seeks revolution of economics system, to unleash the shackle in which the Workers and Private Capitalists, the producers, had always been conditioned from. Thus, true emancipation of the worker and real producer does not belong to the goodwill of the Public, Socialism, or Neoliberal Capitalism, but through the liberation of workers and private entities themselves. Communism would be achieved when both real productive ability and coordination through free market is able to keep it up.

It is not through the sublimation, thus oppression of the totality, or higher, human order that an absolute may be reached, but through perpetual struggles towards asymptotic harmonization without the illusion of the absolutists. It is through fracture itself that the universal may be reached, and thus, through perpetual Dialectics of the market, the people shall reap their benefits from themselves. Let the right to question never be closed, and let the debate of what is actually matters for us never be finished. For Reality has never has been given as harmonious entity in which it conform to our imagination, but that which always put us in awe in its complexity and contradiction between our own conception of it.

Let us then, take back the power to write fiction back unto the workers and to producers themselves, creating our own reality, so that we can reach Communism through the Market.

Workers of the world, seize the means of valuation and take back the power to write fiction on your own!

UPDATE REVISION:

bellow is my unfinished notes and update I wish to improve upon my readings on Marx, Lacan, Gesell, S. Beer, Ostorm, and all. It is a personal rant.

why don't we make PIES a backing but each locals can issue their own money? so each local has their own currency, yet they are all tied to PIES that has been accounted. So each currency's value represent the amount of PIES each local has; the national money, ofc, PIES itself. So each local strive to make their currency goes higher in their own PIES; whether by issuing more money or not, but the value behind is still PIES. So one way to increase their value, is investing in real material instead. So we keep counting aggregate PIES from locals to central VXM, issuing value from there; yet giving autonomy to locals. When we want to make an inter-payment, use PIES instead.

So decaying or appreciating value can be managed in the background, tied to real PIES, while keeping each locals do what their want. Money were issued by banks (whether local banks or private banks, or whoever the locals wants it to be); but they are tied to VXM nonetheless, and are required to recognized by VXM. VXM only accounts for PIES, while the one's issuing money can be whoever each local wants it to be. We can use ostorm to define the boundaries and all; yet they are all still tied to each their PIES reserves. These local currencies however, because still tied to PIES, the amount of depreciation rates gets faster/slower whether they exceeding the PIES or not; or that each locals can issue their own demurrage to reflect the PIES itself to make it more adaptable. This backing system can also allows if, banks or local money issuer were corrupt or goes bankrupt; the VXM then issue money based on Real PIES from the default. so the design principles for VXM (its adaptability and digital log for future contingencies) also implemented to the issuer.

my biggest weakness is that im not a mathematician and programmers; so i can only envision it for now at least philosophically and systematically. For a rough simulation, VXM can maybe just calculate material output of a region (there's already tools like that at least, from report or etc), and then try defer values from material output and their current market value as default; making their value a default PIES formula that can be used to issue local money.

as meaning is deferred, so does value; but language also evolves in accordance to what it reflects, so should any system of valuation. since there's a real, the real of Value means its external, real progress. If we take any surplus/progress means material, then the role of valuation is to reflect the progress or aggregate amount of positive material, economic surplus; so system of valutaion, naturally, should reflect real, material, positive economic surplus and not betraying its purposes by refer to itself and are detached from any structural coupling. and since real, economic surplus is inherently incomplete and cannot be put into a

single system, there's should be a feedback mechanism that's unbound in itself, partially.

Before, Gold can be used; it reflect true labour, universal enough, and are recognized as a form of progress. But if progress now means building something, then value should naturally reflect those instead.

the proposition is quite simple..

anyone can start VXM and then ties their currency to VXM or not; the benefit are, if you do, you gain interoperability and stronger money reference comparable (or better) to gold standard.

so liquidity can be made mainly on one form: you buy a real thing with it; since PIES equals to aggregate amount of Real production. And from there, you can either buy other currency with it, or reapply it into another VXM, in which ofc the product can decay because it is material product; or you can consume them outright. Every transaction in pIES, is already a proof of liquidity in itself; and if you're lucky, if PIES backing your currency is grow strong enough, you might even got a surplus in liquidity.

because each federated issuers tied by PIES, they can make an aggreement or some sort, to make a stimulus on market using Keynesian economics or MMT; anyone can use their currency however they like, but it is still tied to PIES as referent. In this case, the growth or proof of economic growth can be transparently observed synchronically, making each theory more transparent in their application. The last lender is last available PIES-backed VXM, the original.

But for the sake of default templates; VXM can calculate hitherto real PIE output, and assigning their values to current market price at circulation; in which it can be remodify if locals slowly had grasped its mechanism.

For the demurrage rates: the amount of money in circulation are divided by available PIES. This calculation can be modified higher than its default amount (money in circulation/PIES) by local issuers, and cannot be made lower than its decaying rates. That is, to prevent hoarding, incentivize spending and real investment, and to prevent speculation.

For interoperability, there would be a central VXM that issue PIES currency as an official and neutral currency.

Central VXM, gets its data from aggregation of all calculated PIES from each local nodes, that then harmonizes prices, averaging them; and thus, trade between 2

locals can use PIES currency instead. So there's a competing currency that has less or more liquidity in reference to PIES, that would incentivize each locals to develop.

Local VXM, can also be the lender of last resort, a neutral entity that derives value only from aggregate PIES and issue currency when local issuer were bankrupt or corrupt, to kick back economic regeneration of each locals

How do we reward regenerative delays?

Estimation of how would the tree grows back, then divide how long it would takes from current regeneration process. the rewards then comes at leveled process; the more time follows as regeneration occurs, percentage of profits heightened PIES, as long as party that guards the regeneration process remains. If the regeneration process are disrupted, so does the PIES accumulation.

How do we quantify complex social outputs (art, healing, care)? This would be hard, as each sectors requires different valuation system. For now on though, i can only imagine it as an investment as an alternatives to saving that would decays one's money

Can we introduce decay resistance for cooperative entities over private ones? That would be up to each issuers; VXM can only reflects PIES.

How to prevent elite coopting of guild structures over time? VXM and Local Issuers are different entities. But if we take this question as local issue, then each to their own standard; and VXM would be their mirror of development, which locals can use to make another issuance that differs from the guild. Rotating supervisor should at least address these in the mean time. If it VXM, it should be the case that they are transparent, decentralized, and cross-referencing each other. Each VXM are incomplete; each local VXM can be forked and analyzed by other nodes. the most stable VXM nodes would become a template VXM, and the corrupt ones are metabolized for future contingencies.

we're not trying to map everything here: we try to find first golden rule with stable foundation so that the process would follows.

the biggest strength of this system is: that it requires a currency to be pegged by PIES. a real material production. Gaming then, can be more easily detected as it is material. The next problem would be cartelization and monopoly; but since VXM is just a neutral ledger, any party then can issue their own currency in response to corrupt issuers. Hoarding from cartel/monopoly, would become unattractive scheme since now, people themselves are the one who are working, not the speculators. If one's wish to control, then they must produce. But since high production requires mass mobilization, it would naturally empowers the worker instead

22/7/2025

price valuation from PIES local; for the aggregated material it can be done; the thing then is how we price it. there's 2 approach, that is planned economy and free economy. If we can't take up our mind; then the agregated PIES should reflect 2 things (or include 2 valuation method). One is a real time aggregation through static valuation that changes in epoch (on year 1 crops is 1 PIES, year 2 crops is .5 PIES); or that we can periodically audit the real time price of things in each necessary epoch. This would gives each an experimental data also so that each ledger in locals can simulate their own economy.

This audit also serves to verify whether the reported amount is valid or not.

or how about we calculate a production/local population (eg. aggregate rice or electronic parts per population) to simulate prices via supply/demand?

or why don't we make a partnership program? a pool of consumer (each person) from each sector/unit (grain, sorgum, electronic parts, building material) are automatically report their transaction on each agreed sector to the computer via each of their phone (electronic transaction) to reflect real time prices?

how about it?

21/08/2025

Local-first PIES makes sanctions **harder**, but not impossible. You remove a lot of leverage (SWIFT, FX choke points, Wall-St. credit), yet an external actor can still hit you through **physical**, **informational**, and **legal** choke points. The trick is to design the network to **degrade gracefully** under pressure and recover fast.

Where sanctions could still bite

- **Energy & inputs:** fuel, critical spare parts, fertilizers, chips, medicines.
- **Logistics:** ports, airspace, insurance for shipping, cloud/CDN for your apps.
- **Comms:** national ISPs, backbone transit, app-store bans, cert authorities.
- **Finance edges:** fiat on/off-ramps, stablecoin blacklists, payment processors.
- **Legal/people:** export controls, visa bans, threats to core devs/validators, compliance takedowns.
- **Info ops:** narrative warfare to delegitimize your governance ("rigged oracles," "fake numbers"), chilling local participation.

Sanction-proofing playbook (PIES-aware)

P — Production

- Redundancy over efficiency: 2–3 suppliers per critical input; cultivate repair/remanufacture guilds.
- Open designs & generic parts; local tool libraries; right-to-repair norms.
- Buffer stocks sized by *replenishment time*, not by cost (90-day target for essentials).

I — Infrastructure

- Build for **islanding**: microgrids, local water loops, offline transit ticketing.
- Cloud independence: self-hosted mirrors; inter-city data barter (sneakernet if needed).
- Pre-issued credentials: local PKI so services survive CA revocations.

E — Energy

- Diversify: solar + biogas + micro-hydro + storage; prioritize processes that can run intermittently.
- Electrify what you can; keep minimal diesel reserve for truly irreplaceable tasks.
- Community demand response (price-free quotas in emergencies).

S — Social incompleteness (governance)

- **Constitutional irritants:** protected minority vetoes, red-team budgets, sunset clauses.
- Multi-oracle valuations (co-ops, unions, civic auditors) with threshold approval.
- Civic mutuals: food/health/credit unions that can pivot to rationing *without* collapsing.

Money & ledger layer

- **Local currency + mutual credit** as fallback.
- Demurrage that auto-tunes with supply *but* caps decay under duress to avoid panic.
- Offline modes: mesh/LoRa/QR "IOU clearing" with later reconciliation; rotating, threshold-signed keys.
- Privacy by default (UTXO rotation, blinded notes) to resist blacklists; legal cash lanes for essentials.

Network topology

- Federation > monoculture: many small ledgers with **interchange protocols**, not one big chain.
- Graceful partitioning: keep trading inside the island; reconcile when links return.
- Don't centralize validators/devs; rotate roles, practice "key ceremonies," document recovery drills.

Likely failure modes (design against these)

- **Oracle capture/gaming:** inflation of P/I/E, politicized "S" weights. → Use multi-source oracles, random audits, whistleblower bounties.
- **Liquidity crunch:** if decay is too steep under shock. → Temporary demurrage floor + emergency credit lines via mutuals.
- **Black-market re-dollarization:** if local unit is inconvenient. → Make local payments *easier* and fees lower; tax in local unit; settle utilities only in local.
- **Talent choke:** travel/remote service bans. → Cross-train locals; mirror knowledge bases; offline curricula.
- **Supply shocks:** single-point imports. → Pre-qualify substitutes; stockpile catalysts/meds with careful rotation.

"Sanction resilience" checklist (quick hits)

- ☐ Two-week offline ops drill for markets, clinics, and transit.
- ☐ 90-day essentials buffer (food, meds, fuel, key spares).
- ☐ Mesh network + offline ledger clients + periodic reconciliation.
- ☐ Multi-oracle PIES board with independent budgets and public logs.
- ☐ Legal wrappers (co-ops/commons trusts) to shield assets and people.
- ☐ Community repair & fabrication capacity (CNC, 3D print, machine shop).
- ☐ Emergency demurrage rules + mutual credit expansion charter.
- ☐ Annual red-team "sanction simulation" with published after-action fixes.

Bottom line: a purely local PIES web shrinks sanction leverage dramatically, but doesn't make you invisible. Aim for **federated autonomy**: local currencies and value oracles that can run cut-off, plus protocols to re-sync when links reopen. Design for interruption, not for perfection.

24/08/2025

W. Ross Ashby formulated the **Law of Requisite Variety**: *only variety can absorb variety*. In other words, a regulatory system must be at least as complex as the environment it regulates; otherwise, it will collapse under pressures it cannot match.

This law, when read against the history of economic systems, reveals a striking pattern of failure:

- **Capitalism** generates enormous variety in production (new commodities, services, technologies), but forces all of it through a uniform, speculative valuation regime: money as universal equivalent, dominated by finance. The mismatch is inevitable: when production's complexity outruns financial abstraction, crises erupt.
- **State socialism** in its 20th-century form inverts the imbalance: a rigid valuation system (state fiat, planned prices) tries to command a far more complex production environment. The result is equally predictable: shortages, black markets, and systemic brittleness.

Both collapse for the same cybernetic reason: **valuation does not carry the same variety as production.**

PIES + VXM resolves this contradiction by embedding Ashby's law into its very structure. Production and valuation co-evolve, each mirroring the other's variety:

- Each locality issues its own **PIES-backed currency**, tied to its material outputs and infrastructures. Valuation thus multiplies in variety alongside production.
- Federation through **VXM** ensures interoperability, not uniformity. Difference is preserved, but communication is possible.
- **Demurrage and regenerative delay** ensure that valuation decays or renews in rhythm with ecological and infrastructural cycles, preventing financial accumulation from outpacing material reality.

The effect is a **cybernetic equilibrium**: production's richness is matched by valuation's richness. No single node, currency, or abstract center is forced to absorb all complexity. Instead, variety is distributed — crises are routed around, and alienation is rendered transparent rather than mystified.

Where capitalism and state socialism both failed Ashby's test, PIES at last passes it. The system is not only economic but **cybernetic**: a living mechanism of resilience, balancing openness and constraint, multiplicity and federation.

so instead all of productive sector gives so much noise, in which in turns receives unequal feedback from valuation sector, and this going on and on until only a few from production is actually being attenuated properly by valuation sector, thus externality and absurd artificial scarcity bcs the valuation needs to propagate itself.

this then makes both system perturbed; production sector keeping its homeostatis of producing because of unclear signal from valuation sector that is perturbing

the system, and the valuation sector doesn't receive necessary feedback of equal variety for their growth, thus bubble crash and all.

so market doesn't 'self-correct'; it is just a result of systemic crash that makes progress into square one. first it is appropriate system of production and valuation, then valuation got divorced, then absurd valuation, the production can't handle, the system crash, and the cycle start again.

Neoliberals just hope that eventually this..cycle would brings us somewhere.

Let it be known that Property is Theft, when its value or profit doesn't reflect or contribute to real, material measure.

And let it be known that Property is freedom, when its value does reflect on its real contribution.

For coordination of PIES system, we need a transparent visibility of such valuation system. maybe by making VXM like a stock exchange but instead of stocks they reveal what each commodity is approximately valued in local and global. one's underpriced commodity bcs of overproduction actually valued more bcs of scarcity in other region and vice versa; one commodity got fully subsidized in one area and things.